



BlueCrest Alaska Operating LLC

3301 C Street, Suite 202
Anchorage, AK 99503



January 27, 2016

Air Compliance Technician
Alaska Department of Environmental Conservation
Air Permits Program
610 University Avenue
Fairbanks, Alaska 99709

RE: BlueCrest Alaska Operating, LLC – Cosmopolitan Project Facility Operating Report – 2nd Half
2015 (Minor Permit AQ1385MSS01)

Dear Compliance Technician,

BlueCrest Alaska Operating, LLC (BlueCrest) is submitting this letter in lieu of a Facility Operating Report for the Cosmopolitan Project for the second half of 2015 as required by Condition 21 of Air Quality Control Minor Permit No. AQ1385MSS01, Revision 1. BlueCrest has not installed any permitted emission units at the stationary source in 2015. Therefore, there is nothing to report.

On December 14, 2015, BlueCrest conducted an initial startup of two 600 kilowatt (kW) microturbines that are intended to replace emission unit (EU) IDs 7 and 8 listed on Table 1 of AQ1385MSS01, Rev. 1. Although the change had an overall decrease in emissions and did not trigger minor permitting, BlueCrest decided to follow the intent of Condition 24.1 and sent the Alaska Department of Environmental Conservation (ADEC) a courtesy startup notification on January 8, 2016.

Please do not hesitate to contact Larry Burgess at lbjurgess@bluecrestenergy.com or (907) 754-9952; or Ann Mason (SLR International Corporation) at amason@slrconsulting.com or (907) 563-2138.

"Based on information and belief formed after reasonable inquiry, I certify that the statements and information in and attached to this document are true, accurate, and complete."

Sincerely,

Steve Massey
Vice President – Alaska
BlueCrest Alaska, LLC

cc: Larry Burgess, BlueCrest
Jacki Rose, BlueCrest
Ann Mason, SLR